LaGrange County Trending 2011

Overview

LaGrange County is a rural farming community with Amish influences and extensive lake living and recreational areas. There is minimal industry and the commercial properties are concentrated in the Towns of LaGrange, Howe, Shipshewana, Topeka and Wolcotville.

Each ratio study is contained on a worksheet in the enclosed Excel spreadsheet. The tabs are self explanatory. The tab marked "Summary" lists the results of the study on a Township basis. There are separate tabs for each of the 6 property classes to be reviewed – residential vacant, residential improved, commercial vacant, commercial improved, industrial vacant and industrial improved. All spreadsheets contain the thirteen entries required by 50 IAC 27-5-3 as well as the Median, COD and PRD.

In order to have an adequate number of sales for a meaningful and reflective analysis, 2009 sales were included in the ratio study. A -1.00% per year (applied by month) time adjustment was applied to the 2009 sales.

A spreadsheet titled "LaGrange 2011 Trending Sales Reconciliation" is attached with this document along with the County's Ratio Study and "Workbook". The sales reconciliation spreadsheet includes a list of the sales that were marked valid in the sales file but were omitted from the study and why. It also includes any sales where the assessed values or sale prices were adjusted and why. This spreadsheet also includes a tab that lists which neighborhoods were combined or compared too for the ratio study.

Residential Improved and Vacant Analysis

Due to the limited number of residential vacant sales in any given township and the fact that the county is fairly consistent, all the townships were combined for the ratio study and assessed accordingly.

The residential improved sales were of sufficient quantity to evaluate all of the townships on an individual basis. The ratio study for the residential improved sales shows that all Townships meet the State's requirements for the Median, COD and PRD.

Commercial Improved and Vacant Analysis

Due to the limited number of valid sales in any given township and the fact that the county is fairly consistent, the townships were grouped together for the commercial vacant and improved ratio studies. There were no commercial vacant sales. Therefore an analysis of the commercial land was completed and in all cases this land value was equal to or greater than the corresponding residential neighborhoods.

The Commercial Improved sales Median, COD and PRD fall with the state requirements on a countywide basis.

Industrial Improved and Vacant Analysis

There were no industrial vacant sales. Therefore an analysis of the industrial land was completed to ensure that in all cases the industrial land value was equal to or greater than a corresponding residential land value.

There was only one useable industrial improved sale that occurred within the timeframe of this ratio study. Therefore an alternative method was also used.

As indicated by the rule "If assessing officials determine that there are insufficient sales of commercial or industrial property in a township or county to determine an annual adjustment factor, the county shall use one (1) or more of the following to derive annual adjustment factors or modify the values of commercial and industrial property . . ." Since there was only one sales, Marshall and Swift cost analysis was used. Using the Comparative Cost Multipliers and the Fort Wayne area along with the 3 building classes most predominate in the county from Marshall and Swift, a cost factor of 1.032 was calculated. This factor was the increase from January 1, 2010 to March 1, 2011. The factor was then applied to all of the industrial building improvements in the county. An additional year of depreciation was applied to these buildings. The total previous building values were then compared to an updated building value based on the Marshall and Swift factor resulting in the annual adjustment factor of 1.002. This factor will be multiplied by the existing neighborhood factor to arrive at the new neighborhood factor for the industrial properties.